

## 12 Development Issues

In our Development Education (DE) Program, the National Credit Union Foundation helps DE trainees delve into global development issues and recognize the ways in which credit unions can address these issues head-on to improving the well-being of members and communities.

The 12 development issues listed below have been identified as barriers to economic growth and prosperity for the world's families. These issues provide us with dilemmas and barriers, but more importantly they provide us with challenges to overcome and opportunities to capitalize on. Working together can make a real difference in the lives of people in our local, national and global communities.

*Here are the 12 development issues:*

**Access to Credit:** In many places around the globe (including the U.S.), people have a difficult time obtaining affordable credit when they need it. The poorer families are, the harder credit is to get and the more expensive it can be. Credit unions are uniquely positioned to provide this access - and in doing so provide opportunities for families to move up a wealth path to financial security. Examples include:

- Access to affordable short-term emergency loans
- Small business loans
- Affordable non-prime auto loans
- Education loans

**Appropriate Technology:** Knowledge and technology should be carefully assessed before "experts" provide solutions that are deemed to match the needs of recipients. Appropriate technology is required for sustained and viable development efforts. The technology may relate to products and equipment or it may have to do with the building of institutions and organizations. Examples of appropriate technology (**or lack of**) include:

- Installing computer systems in communities that lack consistent electricity
- Providing tractors for farmers that have a farm plot of less than one acre
- Access to debit cards in a community without ATM or electronic access

**Education:** Universal education is not available in many countries. Lack of education may be due to lack of facilities and teachers, little disposable income to pay for required books and uniforms, children are needed as income earners, resistance to change in traditional and cultural values. Universal education provides many benefits to society including better informed consumers, healthier families and more enlightened leadership. In the US, education opportunities vary widely between income groups.

**Employment and Income Generation:** The inability of developing and developed countries to provide employment for their citizens creates many challenges, because the poor are found mainly in rural areas of the developing (and sometimes developed) world, it is crucial to create employment opportunities in the rural sector. At the same time, urban migration is accelerating the growth of towns and cities making it the creation of enough jobs to meet the demand difficult. Income generation is crucial to families achieving economic security. In the U.S. and other developed countries, income generation most often comes from working a traditional job. In developing countries, families living at the subsistence level may be outside

the cash economy. Access to credit that generates productive results is the key to more income and family security.

**Environment:** After years of passive tolerance of deforestation and carbon monoxide generation and with the attendant threats of global warming and ozone depletion, concern for our environment has become universal.

**Health:** Next to hunger, health care is the biggest problem facing developing nations. In the poorest regions of some countries, half of all children die before their fifth birthday. Further, most public health expenditures are curative rather than preventative – health facilities (when available) are overcrowded, understaffed and lacking in both equipment and medicines. Today with the aging of America, health care has also become one of our biggest challenges. In America today, millions of citizens lack health insurance.

**Housing:** One quarter of the world's population lack adequate shelter. In the developing world, construction materials may be mud, reeds, leaves, and scrap metal. Potable water, sewage disposal, electricity may or may not be available. Financing for homes is mostly unavailable or unattainable. High rents are common with landlords having minimal constraints. In the U.S., housing concerns relate to rent affordability, high home costs, and mortgage rates, terms and availability.

**Hunger:** In the U.S. today, millions of Americans suffer from obesity; yet access to adequate food supplies for hungry families is becoming a part of the American landscape. One in 7 Americans are living in food insecure homes. In other parts of the world, millions of people struggle to get 1200 calories – enough to survive one more day. Fifteen to twenty million people die each year from hunger. Solving the problem of hunger is a slow process which ties to solving poverty.

**Representation:** Many global institutions do not support democratic principles. True democratic experiences are rare for many developing countries due to high illiteracy rates, continuity of traditional power, ethnic/tribal differences and political and cultural traditions.

**Savings Mobilization:** Financial investments have become part of the common decisions made by Americans every day. However, American's need to have better saving and retirement plans. In other areas of the world, the idea of household savings is new or seems unattainable. Many global financial institutions (or lack of institutions) do not provide options for small savers – forcing them to save in commodities or goods.

**Transportation:** 88% of Americans drive to work. Public transportation is not readily available in most American communities. Access to a quality car has a tremendous impact on a family's ability to earn and build economic security. In developing nations, transportation in rural areas is difficult and transporting farm goods to market is very expensive which is difficult to overcome.

**Women in Development:** Due to tradition and the demands of raising families, the role of women is often hidden. In the process of modernization in developing nations, women remain dependent upon traditional tasks, since they lack the skills and mobility to participate in the changing economy. Women are often not allowed or discouraged by cultural norms to participate in their community's advancement. Yet, women are the glue that holds the economy together. Even in America today, pay equity between the genders has not been achieved.